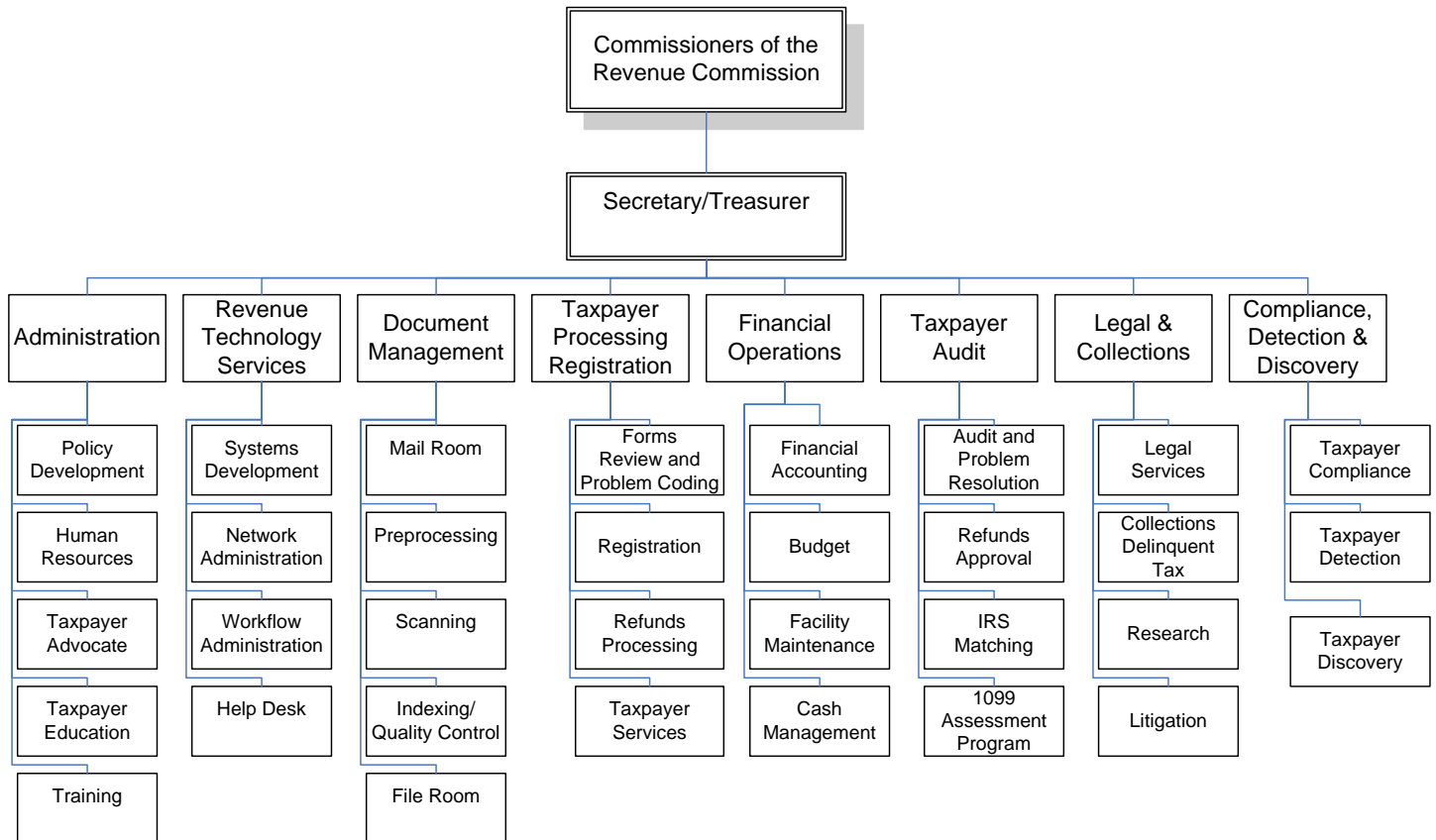




# Louisville/Jefferson County Metro Revenue Commission



## REVENUE COMMISSION

### Department Mission

The Mission of the Louisville Metro Revenue Commission is to perform fair and cost-effective revenue collection services through the enforcement of local laws and regulations.

### Programs and Services

**Financial Operations** is responsible for monitoring and managing the accounting/financial systems of the Metro Revenue Commission, its operating budget and the collection of occupational license fees, transient room taxes and insurance premium taxes. Duties include issuing financial reports; providing and coordinating cash management of invested tax revenue; and fiduciary duties for distributing tax collections, bond payments and investment incomes to government agencies.

**Revenue Technology** operates and maintains, and modifies all internal computer systems including but not limited to support of the Tax Revenue and Imaging systems, maintain the IRS information exchange network, maintain the Business Continuity Plan by safeguarding data, software, and hardware for possible disaster recovery. Provide service capabilities for all departmental electronic communications. Maintain a secure, state-of-the-art technical environment. Ensure all employees can perform approved functions effectively and efficiently. Real-time monitoring of all servers, multiple web-sites, and switches for immediate response to any potential problems.

**Document Management** is responsible for the processing of all incoming and non-systems generated outgoing mail, sorting and distribution of all incoming tax forms and correspondence through the imaging system, verifies and enters tax data, pre-processes tax return documents into systems, receives and distribute incoming faxes, indexing of incoming records, and management of files. Responsible for the initial handling of checks in preparation for batching and depositing. Identify returned mail as bad addresses.

**Taxpayer Processing** is responsible for processing all incoming taxpayer information, tax forms, statements, refund requests, correspondence, registrations, and maintain needed files and records. Establish initial return problem/audit codes, conduct initial review, and process returns, and processes refund requests. Provide necessary taxpayer service to all walk-ins and telephone communications with the public, communicate through the internet and staff the taxpayer reception area.

**Taxpayer Audit** resolves problematic and specialty tax returns and accounts, by reviewing and amending tax returns, and issuing appropriate notification to taxpayer. Performs desk and field audits, reviews and processes applications for tax refunds, processes insurance premium returns, and issues taxpayer assessments identified through the 1099 Matching Program. Maintains IRS records and runs the IRS Matching Program.

**Programs and  
Services  
(continued)**

**Legal and Collection** handles any necessary litigation and bankruptcy of occupational taxes. It issues warrants and summons, attends court proceedings, and establishes and monitors taxpayer payment plans. Initiate contact with delinquent taxpayers, pursue legal action for non-compliance and/or non-payment, research taxpayer bad addresses, and skip trace missing taxpayers.

**Compliance Detection and Discovery** performs detection and discovery procedures and field investigations to identify persons who work, employ, or otherwise are engaged in business in Louisville Metro, and have failed to register. Compares agency databases against other databases and helps taxpayers become compliant. Also, serves audit and compliance letters in the field. Conducts required fieldwork for the Legal and Collections Division.

## REVENUE COMMISSION

### Goals & Indicators

#### Financial Operations

- Promote electronic fund transfers of tax payments, monitor and maintain reporting accuracies.
- Issue monthly financial statements timely and accurately.
- Monitor and maintain the operation budget and financial systems for the Metro Revenue Commission.
- Performs cash management functions including investment of collected revenue, and distributes collections as required.
- Make bond payments when required.

#### Revenue Technology

- The Technology Division is responsible for providing a secure, state-of-art technical environment, ensuring all employees of the Metro Revenue Commission can perform their functions effectively and efficiently.
- Provide maintenance and enhancements to our Tax Revenue and Imaging applications in order to support the goals of the Agency and its Divisions.
- Technology Division maintains web sites, makes improvements and modification as required and monitors usage and performance continuously.
- To control the cost of communicating with the taxpayer through the use of the latest technology. Evaluate best system practices and system correspondence to reduce mailing and postage expense, and to increase taxpayer compliance and revenues.
- Investigate and develop a plan to provide either electronic or web based filing and registration, or combination of both.

#### Document Management

- Work with management to evaluate alternatives for processing of manual payments into electronic payments.
- Monitor key depositors to insure deposits are received and processed timely.
- Maintain the archived taxpayer information by adding new taxpayer information and timely purging taxpayer information beyond required retention dates.
- Update correspondence processing queues for closed businesses, trade names, TIN, and e-mail addresses and all other incoming correspondence.

## REVENUE COMMISSION

### Goals & Indicators (continued)

#### Taxpayer Processing

- Updates Taxpayer Master Database for closed businesses, trade Names, TIN, and e-mail addresses.
- Implement a new Automated Call Distribution (ACD) System and monitor same system.
- Develop training documentation for Taxpayer Processing and Taxpayer Service Divisions.
- Continually strive to reduce the backlog of tax returns and documents in processing.
- Track certain types of tax documents so that they can be quickly processed.
- Assist in the implementation of Online Taxpayer registration.
- Assist in the implementation of W-1 electronic filing.

#### Audit

- Continue IRS Matching Program as a source to generate additional revenue.
- Investigate the Kentucky Revenue Cabinet Exchanged Data Program and the Kentucky Insurance Commissioners as sources to generate additional revenue.
- Audit of Employer W-2's and W-3's for improper employee withholding including KJDA employee returns.
- Help to implement House Bill 107 & House Bill 458 and issue updated new regulations.
- Issue current tax year 1099 Assessments.
- Implement additional audit training to expand current staff capabilities.

#### Legal and Collections

- Increase staff to improve collection of delinquent license taxes and percentage of taxpayer filed returns.
- Expand policies, procedures and reports to prioritize delinquent accounts.
- Expand the use of legal and collection capabilities, such as, criminal warrants, civil complaints, payment plans, garnishments, judgments, and liens on identified delinquent taxpayers to increase collection of license taxes owed.
- Help implement an Automated Call Distribution System that will improve productivity and efficiency.
- Provide training to improve quality and expand knowledge base.

#### Compliance, Detection, and Discovery

- Perform detection and discovery procedures to identify persons who work, have employees, or who otherwise are engaged in business inside Louisville Metro and have failed to register with the Metro Revenue Commission.
- Conduct investigations, and research that will increase tax registrations and revenue.
- Works in conjunction with other Louisville Metro Agencies to investigate non-compliant taxpayers.

**Revenue Commission****Budget Summary**

|                                    | Prior Year<br>Actual<br>2003-2004 | Original<br>Budget<br>2004-2005 | Revised<br>Budget<br>2004-2005 | Mayor's<br>Recommended<br>2005-2006 | Council<br>Approved<br>2005-2006 |
|------------------------------------|-----------------------------------|---------------------------------|--------------------------------|-------------------------------------|----------------------------------|
| Agency Receipts                    | 4, 550, 000                       | 5, 406, 500                     | 5, 406, 500                    | 5, 492, 300                         | 5, 492, 300                      |
| Total Revenue:                     | 4, 550, 000                       | 5, 406, 500                     | 5, 406, 500                    | 5, 492, 300                         | 5, 492, 300                      |
| Personal Services                  | 3, 171, 200                       | 3, 759, 500                     | 3, 675, 400                    | 3, 672, 800                         | 3, 672, 800                      |
| Contractual Services               | 1, 129, 500                       | 1, 321, 000                     | 1, 405, 100                    | 1, 455, 500                         | 1, 455, 500                      |
| Supplies                           | 125, 000                          | 197, 100                        | 192, 100                       | 189, 800                            | 189, 800                         |
| Equipment/Capital Outlay           | 121, 500                          | 118, 900                        | 123, 900                       | 130, 000                            | 130, 000                         |
| Interdepartment Charges            | 11, 100                           | 10, 000                         | 10, 000                        | 44, 200                             | 44, 200                          |
| Total Expenditure:                 | 4, 558, 300                       | 5, 406, 500                     | 5, 406, 500                    | 5, 492, 300                         | 5, 492, 300                      |
| Expenditures By Activity           |                                   |                                 |                                |                                     |                                  |
| Director's Office                  | 4, 561, 500                       | 381, 500                        | 381, 500                       | 309, 400                            | 309, 400                         |
| Fiscal Management Program          | 0                                 | 858, 800                        | 858, 800                       | 882, 500                            | 882, 500                         |
| Information Technology Program     | 0                                 | 1, 254, 200                     | 1, 254, 200                    | 1, 216, 200                         | 1, 216, 200                      |
| Document Management Program        | 0                                 | 554, 000                        | 547, 600                       | 551, 700                            | 551, 700                         |
| Taxpayer Processing Program        | 0                                 | 755, 900                        | 755, 900                       | 792, 900                            | 792, 900                         |
| Audit Program                      | 0                                 | 637, 100                        | 683, 500                       | 652, 400                            | 652, 400                         |
| Legal and Collection Program       | (3, 200)                          | 780, 100                        | 740, 100                       | 844, 200                            | 844, 200                         |
| Compliance, Detention, & Discovery | 0                                 | 184, 900                        | 184, 900                       | 243, 000                            | 243, 000                         |
| Total Expenditure:                 | 4, 558, 300                       | 5, 406, 500                     | 5, 406, 500                    | 5, 492, 300                         | 5, 492, 300                      |

| Revenue Commission                                    | Position<br>Detail                    |                                    |
|---|---------------------------------------|------------------------------------|
|   | Mayor's<br>Recommended<br>FY2005-2006 | Council<br>Approved<br>FY2005-2006 |
| <b>Position Allocation (in Full-Time Equivalents)</b> |                                       |                                    |
| Full-Time   | 74                                    | 74                                 |
| Permanent Part-Time                                   | 1                                     | 1                                  |
| Seasonal/Other  | 4                                     | 4                                  |
| <b>Total Positions</b>                                | <b>79</b>                             | <b>79</b>                          |
| <b>PROGRAMS</b>                                       |                                       |                                    |
| <b><i>Director's Office</i></b>                       |                                       |                                    |
| Full-Time   | 2                                     | 2                                  |
| Permanent Part-Time                                   | 0                                     | 0                                  |
| Seasonal/Other  | 0                                     | 0                                  |
| <b>Total Positions</b>                                | <b>2</b>                              | <b>2</b>                           |
| Title   |                                       |                                    |
| Director  | 1                                     | 1                                  |
| Executive Assistant                                   | 1                                     | 1                                  |
| <b><i>Fiscal Management Program</i></b>               |                                       |                                    |
| Full-Time   | 5                                     | 5                                  |
| Permanent Part-Time                                   | 1                                     | 1                                  |
| Seasonal/Other  |                                       |                                    |
| <b>Total Positions</b>                                | <b>6</b>                              | <b>6</b>                           |
| Title   |                                       |                                    |
| Administrative Specialist                             | 1                                     | 1                                  |
| Business Manager I                                    | 1                                     | 1                                  |
| Custodian   | 1                                     | 1                                  |
| Maintenance Worker                                    | 1                                     | 1                                  |
| Revenue Manager                                       | 1                                     | 1                                  |
| Revenue Specialist                                    | 1                                     | 1                                  |
| <b><i>Information Technology Program</i></b>          |                                       |                                    |
| Full-Time   | 8                                     | 8                                  |
| Permanent Part-Time                                   | 0                                     | 0                                  |
| Seasonal/Other  | 0                                     | 0                                  |
| <b>Total Positions</b>                                | <b>8</b>                              | <b>8</b>                           |
| Title   |                                       |                                    |
| Administrative Asst                                   | 1                                     | 1                                  |
| Info Systems Analyst                                  | 1                                     | 1                                  |
| Systems Analyst                                       | 2                                     | 2                                  |
| Systems Analyst Manager                               | 1                                     | 1                                  |
| Systems Analyst Supvr                                 | 2                                     | 2                                  |
| Systems Engineer II                                   | 1                                     | 1                                  |

**Document Management**

|                          |    |    |
|--------------------------|----|----|
| Full-Time                | 14 | 14 |
| Permanent Part-Time      | 0  | 0  |
| Seasonal/Other           | 1  | 1  |
| Total Positions          | 15 | 15 |
| Title                    |    |    |
| Administrative Supvsr II | 1  | 1  |
| Clerk                    | 1  | 1  |
| Imaging Operator         | 4  | 4  |
| Mail Room Clerk          | 1  | 1  |
| Revenue Technician       | 7  | 7  |
| Staff Helper/Internal    | 1  | 1  |

**Taxpayer Processing**

|                       |    |    |
|-----------------------|----|----|
| Full-Time             | 17 | 17 |
| Permanent Part-Time   | 0  | 0  |
| Seasonal/Other        | 2  | 2  |
| Total Positions       | 19 | 19 |
| Title                 |    |    |
| Receptionist          | 1  | 1  |
| Revenue Manager       | 1  | 1  |
| Revenue Specialist    | 13 | 13 |
| Revenue Supvsr        | 2  | 2  |
| Staff Helper/Internal | 2  | 2  |

**Audit Program**

|                     |    |    |
|---------------------|----|----|
| Full-Time           | 10 | 10 |
| Permanent Part-Time | 0  | 0  |
| Seasonal/Other      | 0  | 0  |
| Total Positions     | 10 | 10 |
| Title               |    |    |
| Revenue Manager     | 1  | 1  |
| Revenue Specialist  | 1  | 1  |
| Revenue Technician  | 1  | 1  |
| Tax Audit Supvsr    | 2  | 2  |
| Tax Auditor I       | 5  | 5  |

**Legal & Collections**

|                       |    |    |
|-----------------------|----|----|
| Full-Time             | 13 | 13 |
| Permanent Part-Time   | 0  | 0  |
| Seasonal/Other        | 1  | 1  |
| Total Positions       | 14 | 14 |
| Title                 |    |    |
| Paralegal             | 1  | 1  |
| Revenue Manager       | 1  | 1  |
| Revenue Specialist    | 6  | 6  |
| Revenue Supvsr        | 2  | 2  |
| Revenue Technician    | 3  | 3  |
| Staff Helper/Internal | 1  | 1  |



***Compliance, Detention & Discovery***

|                     |   |   |
|---------------------|---|---|
| Full-Time           | 5 | 5 |
| Permanent Part-Time | 0 | 0 |
| Seasonal/Other      | 0 | 0 |
| Total Positions     | 5 | 5 |
| <hr/>               |   |   |
| Title               |   |   |
| Revenue Specialist  | 1 | 1 |
| Revenue Supvsr      | 1 | 1 |
| Revenue Technician  | 2 | 2 |
| Tax Auditor I       | 1 | 1 |
| <hr/>               |   |   |